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**Chapter 11  
Case Nos. 02-03759-B,  
02-04195-B and  
02-04194-B  
(Jointly Administered)**

To the Honorable Wm. Thurmond Bishop, United States Bankruptcy Judge:

Pursuant to 11 U.S.C. §§105 and 363, Fed. R. Bankr. P. 6004 and 9014 and SCLBR 6004-1, Starmet Corporation (“Starmet”), a debtor and debtor-in-possession in the above proceedings, hereby requests authority to sell by private sale (the “Private Sale”) to Advanced Specialty Metals, LLC (“ASM”), Applied Materials Science, LLC (“AMS”) or their nominee (hereinafter referred to collectively as the “Purchasers”) substantially all of its assets (the “Sale Assets”) under the terms and conditions described in this motion.

Starmet conducts its operations at a facility in Concord, Massachusetts (the “Concord Facility”) owned by Starmet NMI Corporation, a wholly owned subsidiary of Starmet. Starmet is in the business of manufacturing and processing specialty metals, including hazardous materials such as uranium and beryllium. As a result of manufacturing and research activities that have been conducted at the Concord Facility since the early 1940s, all or substantially all of Starmet’s assets are likely contaminated

102

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF SOUTH CAROLINA**

**In Re:**

**STARMET CMI CORPORATION,  
STARMET CORPORATION, and  
STARMET NMI CORPORATION**

**Debtors.**

**Chapter 11**

**Case Nos. 02-03759-B,  
02-04195-B and  
02-04194-B  
(Jointly Administered)**

**DEBTOR'S MOTION FOR AUTHORITY TO  
SELL ASSETS BY PRIVATE SALE FREE AND  
CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES**

To the Honorable Wm. Thurmond Bishop, United States Bankruptcy Judge:

Pursuant to 11 U.S.C. §§105 and 363, Fed. R. Bankr. P. 6004 and 9014 and SCLBR 6004-1, Starmet Corporation ("Starmet"), a debtor and debtor-in-possession in the above proceedings, hereby requests authority to sell by private sale (the "Private Sale") to Advanced Specialty Metals, LLC ("ASM"), Applied Materials Science, LLC ("AMS") or their nominee (hereinafter referred to collectively as the "Purchasers") substantially all of its assets (the "Sale Assets") under the terms and conditions described in this motion.

Starmet conducts its operations at a facility in Concord, Massachusetts (the "Concord Facility") owned by Starmet NMI Corporation, a wholly owned subsidiary of Starmet. Starmet is in the business of manufacturing and processing specialty metals, including hazardous materials such as uranium and beryllium. As a result of manufacturing and research activities that have been conducted at the Concord Facility since the early 1940s, all or substantially all of Starmet's assets are likely contaminated

with hazardous substances. The Concord Facility has been designated a "super fund" site by the Environmental Protection Agency.

Starmet's liability for the severe environmental contamination at the Concord Facility was a primary cause of Starmet's Chapter 11 filing. Starmet's continued operations are currently allowing it to generate sufficient funds to maintain site security, maintenance, utility service and other services necessary to prevent the Concord Facility from presenting a threat to the public health and safety. Starmet's continued operations are also permitting Starmet to continue its efforts to remediate the Concord Facility. The primary focus of Starmet's Chapter 11 proceeding is to continue its operations to allow continued site security, maintenance and remediation while Starmet liquidates its asset, explores its options for future operations and effects a responsible transfer of control of the Concord Facility to the appropriate governmental agency.<sup>1</sup>

Starmet's largest secured creditor is Citizens Bank of Massachusetts ("Citizens"), which is owed approximately \$9,000,000. Citizens asserts a lien against all of Starmet's assets. For some time prior to its bankruptcy filing, Starmet engaged in negotiations with Citizens in an attempt to reach an amicable method of winding down Starmet's operations. Starmet's relationship with Citizens deteriorated during this period, and Citizens' threats to take action to enforce its liens proved to be the triggering event which led to Starmet's bankruptcy filing. The dispute between Starmet and Citizens continued after the filing of Starmet's bankruptcy filing. Among other things, Citizens alleged that Starmet transferred the "profits" from its powders conversion business to the Purchasers without consideration. Starmet categorically denies these allegations. Ultimately,

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<sup>1</sup> Starmet maintains certain causes of action that may permit it to generate funds for distribution to unsecured creditors. Starmet is presently exploring the viability of such causes of action.

Starmet and the Purchasers were able to negotiate a settlement of Citizen's claims against Starmet the Purchasers (the "Citizens Settlement"). The Court has approved the Citizens Settlement. The Citizens Settlement requires, among other things, that Starmet sell all or substantially all of its assets. In the Citizens Settlement, Citizens specifically consented to a sale to the Purchasers.

Starmet has obtained an offer to purchase substantially all of its assets from the Purchasers. Among the Purchasers' members and/or operators are former employees of Starmet. The Purchasers have offered to purchase certain of Starmet's assets, described below, for the sum of \$600,000 (the "Offer"). A copy of the Offer is attached hereto as Exhibit "A."<sup>2</sup>

The Private Sale will permit Starmet to continue operating, and thus maintain the safety and security of the Concord Facility. The Private Sale will also generate the highest and best offer available in the marketplace for the Sale Assets. The Private Sale also provides Starmet with the option to repurchase the assets sold to the extent it can formulate a successful reorganization of its operations.

Contemporaneously with the filing of this motion the Debtor has filed a motion requesting that the Court establish bidding procedures for the Private Sale. In further support of this motion, the Debtor avers as follows:

#### **I. FACTUAL BACKGROUND**

1. On March 26, 2002, (the "CMI Petition Date"), Starmet CMI Corporation ("CMI") filed a voluntary petition for relief under Chapter 11 of title 11 of the United States Bankruptcy Code ("Bankruptcy Code") in the United States Bankruptcy Court for

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<sup>2</sup> Any description of the Offer or its terms is not intended to be a substitute for the Offer, which contains additional terms and conditions.

the District of South Carolina (the "Court"). CMI continues to operate as a debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

2. On April 3, 2002 (the "Starmet Petition Date," and together with the CMI Petition Date the "Petition Dates"), Starmet and NMI filed voluntary Chapter 11 petitions before the Court. Starmet and NMI continue to operate as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

3. The Debtors are under common management. CMI and NMI are wholly owned subsidiaries of Starmet.

4. On May 1, 2002, the Debtors filed a motion to jointly administer their respective bankruptcy proceedings. On May 31, 2002, the Court entered an order allowing the Debtors' motion to jointly administer their proceedings.

## **II. HISTORY OF STARMET**

5. Manufacturing, research and other operations involving nuclear metals and other hazardous materials has been ongoing at the Concord Facility since approximately 1942.<sup>3</sup> Similar operations have existed at the Barnwell Facility for many years. The Debtors produce and have produced such products as metal powders, specialty metal parts for aircraft, beryllium alloy products, aircraft counterweights, armor piercing munitions and other specialty metal products. The Debtors sell their products to, among others, the aerospace, medical and defense industrial industries.

6. In the course of the their operations, the Debtors store and utilize various hazardous materials. Predominate among the various hazardous materials stored by the

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<sup>3</sup> Among the entities who previously owned or operated the Concord Facility is the United States Army. The Army has been identified as a "potentially responsible party" by the United States Environmental Protection Agency with respect to the cost of remediating the environmental problems at the Concord Facility.

Debtors is uranium hexafluoride (UF<sub>6</sub>), commonly referred to as "greensalt." Prior to the Petition Dates, the Debtor used greensalt to, among other things, manufacture depleted uranium products. The Concord Facility contains approximately 3,800 barrels of greensalt. The Barnwell Facility contains approximately 20,000 barrels of greensalt.

7. The Concord Facility has partially remediated soil and groundwater contamination arising from the disposal of waste products in unlined pits in the years prior to the passage of the Comprehensive Environmental Recovery and Liability Act ("CERCLA"). The Barnwell Facility has lined holding basins for wastewater previously generated in its manufacturing process.

8. In the years prior to the Petition Dates, a significant portion of the Debtors' revenue was derived from certain government contracts, including the contract to produce armor piercing artillery rounds. When these contracts ceased, Starmet's and the other Debtors' financial situations deteriorated. Starmet's financial troubles date back to at least 1999.

9. After the loss of their important government contracts, the Debtors, including Starmet, were able to generate positive cash flow from operations before taking into account debt service owed to Citizens. The Debtors could not service their debt to Citizens, however. Moreover, the Debtors were unable to generate sufficient funds to fully remediate their environmental problems.

10. Accordingly, the Debtors determined to continue operations and continue the remediation of their environmental problems while they formulated and implemented strategies for their future operations and attempted to completely remediate their

environmental problems. As with any significant environmental remediation, the Debtors' remediation strategies necessarily involved long term plans.

11. The Debtors entered into discussions with the parties with the primary interests in their facilities, including various governmental regulators and the Debtors' secured creditors. The Debtors hope was to negotiate plans for the transfer of their operations and/or assets which were acceptable to all interested parties and which resulted in the maximum remediation possible of the Debtors' environmental problems.

12. Unfortunately, the Debtors' relationship with its primary secured creditor, Citizens Bank of Massachusetts ("Citizens") deteriorated, and Citizens began asserting additional financial pressure on the Debtors. In addition, the Debtor was sued by Envirocare, Inc. ("Envirocare"), the company that owns the primary disposal site for greensalt in the United States. As a result of the lawsuit with Envirocare, the Debtors were unable to ship greensalt from the Barnwell Facility or the Concord Facility to Envirocare's disposal site.

13. Starmet held separate discussions with Citizens with respect to the operations at the Concord Facility. Beginning in early 2001, Citizens requested that Starmet wind down and cease its operations at the Concord Facility. Citizens and Starmet conducted various discussions, eventually involving the regulatory agencies and Office of the Attorney General for the Commonwealth of Massachusetts (the "AG"). Starmet was unable to formulate a plan for future operations with respect to which both Citizens and the Commonwealth of Massachusetts agreed.

14. In or about January of 2002, Citizens informed Starmet that it was going to cease forbearing from exercising its rights as a secured creditor with respect to

Starmet's cash and accounts receivable. Citizens likewise informed the AG of its decision to cease forbearing. Citizens also informed the AG that it would allow a state court receiver to use a limited portion of its collateral to fund continued operations at the Concord Facility.

15. A foreclosure by Citizens of Starmet's cash and accounts receivable would have resulted in a shut down of Starmet's operations at the Concord Facility and would have forced the Commonwealth to incur the costs of securing and maintaining the Concord Facility.

16. In order to forestall the shut down of the Concord Facility, the AG requested the Superior Court for Suffolk County, Massachusetts to appoint a receiver for Starmet. Faced with a potentially serious environmental problem, the Suffolk County Superior Court appointed a receiver.

17. The appointment of the receiver presented a potentially terminal threat to the Debtors' remediation plans. Due to the highly specialized nature of Starmet's business, Starmet was skeptical of the receiver's ability to continue operations. In addition, the receiver had no knowledge of the Debtors' remediation plans, which involved ongoing discussions, some of which spanned over a year, with multiple contingencies and multiple parties. The receiver was not in a position to take up and implement the Debtors' remediation plans. Accordingly, the Debtors filed the instant bankruptcy proceedings in order to preserve their opportunity to effect a meaningful remediation of their environmental problems.

### **III. STARMET'S ASSETS**



18. Starmet's assets include various foundry and specialty metal manufacturing equipment, other furniture, equipment, various patents and trademarks and minimal cash and/or accounts receivable. Starmet's assets relate to the following manufacturing areas, some of which ceased prior to the Petition Date.

19. Depleted Uranium Operations. Prior to the Petition Date, depleted uranium products were the primary income producing products for Starmet. Starmet has manufactured ordnance, shielding and other depleted uranium products for many years. Starmet has numerous patents and intellectual property relating to uranium products, including patents relating to uranium tetrafluoride as a source for the production of fluorinated metals for the electronics and pharmaceutical industries. Starmet is unsure whether its patents, trademarks and other intellectual property are still valid or whether they have expired.

20. Investment Casting Operations. Prior to the Petition date, Starmet produced beryllium-based alloys for use in nuclear, aero-space/defense and commercial applications. A variety of wrought processes have been applied to these beryllium alloys. Starmet has equipment for foundry, extrusion and machining capabilities. Starmet has several composition patents, if currently maintained, and possibly a trademark.

21. Metal Powders Operations. Prior to the petition date Starmet manufactured metal powders. Starmet continues to convert bar stock into metal powders. Upon information and belief, there is no intellectual property involved in the production of metal powders that is not in the public domain.

22. A list of the machinery, equipment, furniture and other tangible assets that Starmet proposes to sell is attached hereto as Exhibit B.

23. In addition to assets used in the above described manufacturing processes, Starmet also holds various causes of action, including avoidance actions under the Bankruptcy Code. Among the avoidance actions is a cause of action against Regions Bank ("Regions").

24. Prior to the Petition Date, CMI owed Regions approximately \$524,000 on account of loans made to Regions by CMI. Regions asserts a secured claim against CMI

25. Starmet had executed a guaranty of CMI's debt to Regions. Prior to the Petition Date, Starmet maintained its bank accounts at Regions.

26. In the ninety days prior to the Petition Date, Regions setoff the amounts in Starmet's bank account against the amount owed to Regions by Starmet on account of the Guaranty. Starmet has commenced an action against Regions to recover the amount setoff pursuant to Sections 547 and 553 of the Bankruptcy Code. That action is currently pending before this Court. The amount at issue is approximately \$184,000.

27. Starmet's remaining avoidance causes of action consist largely of garden variety preference and/or fraudulent conveyance actions, aggregating approximately \$550,000. Starmet has not performed an analysis of these avoidance actions to determine their respective merits.

28. Starmet has a substantial breach of contract claim against the United States Army arising from a pre-petition contract. Starmet believes that the damages may ultimately be many millions of dollars. Starmet's counsel has not evaluated this cause of action. Furthermore, Starmet, at present, does not have sufficient funds to pursue this cause of action.

29. Starmet also has claims arising from the contamination of the Concord Facility against, among others, the United States Army and the United States Department of Energy. Starmet, at present, does not have sufficient funds to pursue these claims.

30. After the Petition Date, Citizens commenced a lawsuit (the "LLC Action") against ASM, AMS and Applied Technology Management LLC ("ATM"). In the LCC Action Citizens asserted that ASM, AMS and ATM (sometimes collectively the "LLCs"), transferred Starmet's business operations to themselves for no consideration. ASM and ATM were formed by former Starmet employees.

31. ASM is in the metal powders business and sells metal powders to some of Starmet's former customers. AMS is in the beryllium casting business and provides services to some of Starmet's former customers. Both ASM and AMS conduct operations that Starmet, due to its financial condition and poor relationships with suppliers and customers, cannot otherwise conduct. Prior to the financial and environmental problems that led to its bankruptcy filing, Starmet did provide the services that ASM and AMS provide.

32. The AG has asserted that the LLCs are merely the alter egos of Starmet, and has sought to add the LLCs to its pre-petition lawsuit against Starmet.

33. To the extent a viable claim against the LLCs exists, Starmet does not believe that any damages to Starmet's bankruptcy estate can be established. In the first place, both ASM and AMS provide services to their customers that Starmet cannot otherwise provide due to its financial condition and the existing environmental contamination. Accordingly, neither ASM nor AMS obtained any operations or businesses from Starmet that had any value to Starmet. Secondly, any such business

would likely be subject to Citizens' liens, and would therefore not be available to pay unsecured creditors.

34. In any case, the claims against the LLCs are not among the assets that Starmet proposes to sell to the Purchasers.

#### **IV. LIENS AGAINST THE SALE ASSETS**

35. Citizens has a lien on the Sale Assets. In addition, the AG has asserted that some portion of the Sale Assets constitutes a fixture of the Concord Facility and is therefore subject to the AG's statutory priming lien for the cost of remediating the Concord Facility. Starmet believes that the AG's statutory priming lien extends only to real property. Citizens has commenced a declaratory judgment action against, among others, Starmet and the AG, to determine whether any of the Sale Assets constitute fixtures or would otherwise be subject to the AG's statutory priming lien.

36. The Debtor does not believe that any of the Sale Assets constitute fixtures of the Concord Facility, and it anticipates that all of the proceeds of the Private Sale will be paid to Citizens.

#### **V. STARMET'S DEBTS**

37. Starmet's primary secured creditor is Citizens. Citizens is owed approximately \$9,000,000. Citizens also asserts junior mortgages against CMI's and NMI's real property.

38. The AG has asserted a statutory priming lien. However, Starmet believes that the AG's asserted lien extends only to real property, and would therefore effect Starmet only to the extent any of the Sale Assets are fixtures. The amount of the AG's asserted lien is not known at this time.

39. Starmet has priority unsecured claims totaling approximately \$65,000. These claims are for sales taxes, payroll taxes and employee benefits.

40. In addition, Starmet may owe various governmental agencies approximately \$230,000 in fees, including fees relating to the environmental contamination at the Concord Facility. Starmet believes that these fees constitute non-priority unsecured claims.

41. Starmet has approximately \$9,700,000 of non-priority unsecured claims. Among the largest are the claims of Envirocare of Utah, Inc., in the aggregate amount of approximately \$4,600,000, the claims of the holders of various subordinated debentures in the aggregate amount of approximately \$1,700,000, and the claim of Wassau Insurance Co. in the amount of approximately \$450,000.

#### **V. THE OFFER**

42. Pursuant to the Offer, the Purchasers have offered to purchase the Sale Assets for the total sum of \$600,000.

43. Starmet is seeking approval of the Offer and authority to sell the Sale Assets, consisting of substantially all of Starmet's assets, free and clear of liens and encumbrances pursuant to Section 363(f) of the Bankruptcy Code. In accordance with its settlement agreement with Starmet and the LLCs, Citizens must consent to the Private Sale to the Purchasers.

44. Included in the Sale Assets is all machinery, equipment, furniture, inventories of raw materials, work in process, finished goods, parts and supplies, patents, licenses, copyrights, trademarks, trade names, and service marks, intellectual property of any and all description, technology and know how, including fluorine gas mining

technology, claims, choses in action, manuals, pamphlets and engineering and other data relating to the use of the Sale Assets. The Sale Assets include all Sale Assets located at the Concord Facility and any Sale Assets located at CMI's facility in Barnwell, South Carolina.

45. The Sale Assets **do not** include any real property, stocks, securities, cash, accounts receivable, deposits, the causes of action and choses in action set forth below and any equipment, technology, patents or know-how necessary to operate Starmet CMI. The causes of action and choses in action excluded from the Sale Assets consist of all claims (a) under Sections 544, 545, 546, 547, 548, 549, 550 and 553 of the Bankruptcy Code, (b) arising from or related to the contamination existing at the Concord Facility, (c) arising from or relating to any insurance policies, (d) against the United States Army, its agents, assigns or successors, (e) against former officers and directors, and (f) against Advanced Specialty Metals LLC, Applied Material Sciences LLC and/or Applied Technology Management LLC.,

46. The Sale Assets do not include any of CMI's assets or NMI's assets.

47. The Offer provides for the lease back to Starmet of such of the Assets as are necessary to permit Starmet to continue its operations. The Offer provides, in part, as follows:

Any Assets necessary for the continued operation of Starmet, including the license or sub-licensing of any intellectual property associated with the business conducted at Starmet shall be leased to Starmet for the sum of \$10.00 per month (the "Lease"). The Lease shall continue until Starmet ceases operations at the Concord Facility as a debtor in possession or reorganized debtor in charge of its own assets and operations. Purchaser agrees not to remove assets acquired from Starmet until at least May 31, 2003 under the above stated terms. Purchaser shall be responsible for the maintenance of the equipment during the term of the Lease, including the defense of all intellectual property from interference or unauthorized use.

Offer ¶11.3.

48. Accordingly, the Offer provides Starmet with the opportunity, for as long as it is operational or until at least May 31, 2003, to continue to provide site security, remediation, maintenance, utility service and other services necessary to prevent the Concord Facility from presenting a threat to the public health and safety.

49. The Offer contains additional terms, including the following:<sup>4</sup>

- a. The Sale Assets shall be sold on an as-is, where-is basis with no warranty being given by Starmet as to the quality or condition of the Sale Assets or their fitness for any particular purpose for which the Purchasers intends to use them. Starmet makes no representation or warranty regarding the existence or absence of any hazardous, radioactive or other environmental contamination. Starmet makes no representation or warranty that the Sale Assets can be decontaminated, removed, or utilized without special licenses or environmental regulatory clearances. Starmet makes no representation or warranty as to whether patents or other intellectual property have been maintained or are otherwise free from assignment in whole or part to third parties. Starmet and the Purchasers acknowledge that some or all of the equipment being purchased may be contaminated with environmental pollutants, including depleted uranium, beryllium, and other toxic materials, and may require environmental remediation before they can be moved from Starmet's premises or operated, and that removal and/or decontamination may require licenses and administrative approval
- b. Fifty percent (50%) of the purchase price (the "Purchase Price") set forth in the Offer has been placed in escrow with Starmet's counsel (the "Deposit"). The Deposit is refundable only if the Starmet fails to close the sale of the Sale Assets through no fault of the Purchasers. Upon the entry of a Final Order approving the sale of the Sale Assets to the Purchasers consistent with the terms of this Agreement, the remaining fifty percent (50%) of the Purchase Price shall be paid to counsel for Citizens, and Starmet's counsel shall pay the Deposit to counsel for Citizens
- c. Starmet shall have the right of first refusal to do any of the work necessary for the decontamination of the Sale Assets upon the same terms and at the same price as any bonafide offer made by a third party. Any offer for environmental remediation or decontamination of the Sale Assets shall be

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<sup>4</sup> The description of the Offer is not intended to be a substitute for the offer to purchase, which contains additional terms and conditions.

made to the Purchasers in writing and a copy of such writing shall be delivered to Starmet forthwith and prior to acceptance of the proposal by the Purchasers. Starmet shall have five (5) days following delivery of the third party proposal to notify the Purchasers that it will perform the environmental remediation and/or decontamination upon the terms set forth in the third party proposal. If Starmet has not so notified the Purchasers, the Purchasers shall be free to engage in the third party proposal at the expiration of five (5) days following delivery of the proposal to Starmet. Notwithstanding the foregoing, the Purchasers may negotiate with Starmet to the exclusion of any third party for the decontamination of equipment

- d. All Sale Assets acquired by the Purchasers which are not now, but may become necessary for the continued operation of CMI during its Chapter 11 proceeding, will be sold or licensed to CMI for \$10.00. This provision shall survive closing and will continue to be effective for two (2) years following this transaction. This provision shall become null and void in the event of (a) the dismissal of CMI's bankruptcy proceeding; or (b) the conversion of CMI's bankruptcy proceeding to a case under Chapter 7 of the Bankruptcy Code.
- e. Any Sale Assets that cannot be moved from Starmet's facility or decontaminated at a reasonable cost to the Purchasers, shall be excluded from the sale of Sale Assets. As soon as practicable, the Purchasers shall notify Seller in writing that Assets shall be excluded.
- f. Starmet agrees to request overbid protection for the Purchasers in an amount of not less than sixty thousand (\$60,000). It is expressly acknowledged that if a counter-offer is submitted for the Sale Assets, Starmet will provide immediate notice of such counter-offer to the Purchasers and the Purchasers shall have the right to submit one or more competing offers.
- g. Starmet shall have the right to repurchase any or all of the Sale Assets acquired by the Purchasers hereunder at the then appraised orderly liquidation value but no less than sixty percent (60%) nor greater than One Hundred Twenty Five Percent (125%) of the Purchase Price upon confirmation of a Chapter 11 plan by the Bankruptcy Court. This option shall continue for a period of sixty (60) days after confirmation of a Chapter 11 plan by the Bankruptcy Court. This option shall remain open until the pending cases are dismissed or converted to another Chapter under the Bankruptcy Code or a trustee is appointed pursuant to Section 1104 of the Bankruptcy Code.



50. There are a number of provisions of the Offer that are beneficial to the Debtors' respective bankruptcy estates. Among these beneficial provisions are the following:

- Starmet is selling the Sale Assets as is, where is, and without representation or warranty. Moreover, the Purchasers have acknowledged that the Sale Assets are likely contaminated with hazardous substances. Accordingly the Private Sale will relieve Starmet from the liability for remediating any contamination that exists with respect to the Sale Assets.
- Nevertheless, Starmet has a right of first refusal to conduct any decontamination that may be needed with respect to the Sale Assets. This provides Starmet with the opportunity to generate revenue from the decontamination of the Sale Assets.
- To the extent any of the Sale Assets are required for CMI to continue its operations, the Purchasers have agreed to lease such assets to CMI at a nominal cost. At present, CMI's manufacturing operations have been stopped by order of the South Carolina Department of Health and Environmental Control ("DHEC"). Until CMI recommences its operations, it is impossible to tell which of the Sale Assets may be required to continue for such operations. Nevertheless, the Offer does provide CMI with flexibility should it operations restart.
- Starmet has the right to repurchase the Sale Assets upon confirmation of a Chapter 11 plan. To the extent Starmet is able to settle or confirm a plan that resolves its liability for environmental remediation, Starmet will have

the ability to repurchase some or all of the Sale Assets in order to continue its operations.

## **VI. BASIS FOR SALE**

51. Section 363(b)(1) of the Bankruptcy Code provides that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). In accordance with Bankruptcy Rule 6004(f)(1), sales of property outside the ordinary course may be by private sale or public auction.

52. The majority of courts have applied a business judgment test, requiring that a “sound business reason” exist in support of a debtor’s request to sell estate property other than in the ordinary course of business. *See, e.g., In re Lionel Corp.*, 722 F.2d 1063, 1070-71 (2d Cir. 1983); *In re Allegheny Int’l, Inc.*, 117 B.R. 171, 176-77 (W.D. Pa. 1990); *In re Stroud Ford, Inc.*, 163 B.R. 730, 732 (Bankr. M.D. Pa. 1993). The courts further require that the debtor’s use of the property be proposed in good faith. *In re Abbotts Dairies, Inc.*, 788 F.2d 143, 149-50 (3d Cir. 1986); *Lionel*, 722 F.2d at 1070-71; *Allegheny*, 117 B.R. at 176-77. The good faith element has focused primarily on whether the proposed use or sale would benefit a debtor’s insiders to the detriment of its estate and its creditors. *See, e.g., Abbotts Dairies*, 788 F.2d at 147-48; *Stroud Ford*, 163 B.R. at 732-33; *In re Industrial Valley Refrigeration & Air Conditioning Supplies, Inc.*, 77 B.R. 15, 21 (Bankr. E.D. Pa. 1987).

53. In this instance, the Private Sale will benefit Starmet’s bankruptcy estate in many ways: first, by substantially resolving Citizens’ claims against Starmet; second, by permitting Starmet, for as long as it is operational, to continue to provide site security,

remediation, maintenance, utility service and other services necessary to prevent the Concord Facility from presenting a threat to the public health and safety; third, by permitting Starmet the time necessary to liquidate its assets, effect a smooth and responsible transfer of control of the Concord Facility to the appropriate governmental agency and explore whether it can continue operations; fourth, it provides Starmet with the opportunity to generate revenue from the potential decontamination of the Sale Assets; and, fifth, it gives Starmet the opportunity to repurchase its assets if it can successfully confirm a plan and continue its operations post-confirmation.

54. Section 363(f) of the Bankruptcy Code permits Starmet to sell the Sale Assets free and clear of all liens and encumbrances if, among other things, the secured creditor consents or the asserted lien is in bona fide dispute. *See* 11 U.S.C. §363(f).

55. In this case, Citizens, the holder of a first lien on the Sale Assets, has consented to the Private Sale. The AG's asserted lien extends only to real property, and, therefore, only to the Sale Assets to the extent they constitute fixtures. Starmet disputes that any of the Sale Assets constitute fixtures. Any lien asserted by the AG is therefore in bona fide dispute.

56. Starmet requests that the Court find that the Purchasers made the Offer in good faith, and are therefore entitled to the protection afforded by Section 363(m) of the Bankruptcy Code. The Private Sale was the subject of extensive negotiation between Citizens, Starmet and the Purchasers. The Purchasers are paying fair value for the Sale Assets. In addition to the cash purchase price for the Sale Assets, Starmet has elicited other terms and conditions from the Purchasers that are beneficial to Starmet and the other Debtors. Accordingly, grounds exist to make a finding that the Purchasers made

the Offer and would purchase the Sale Assets in good faith within the meaning of Section 363(m) of the Bankruptcy Code.

**VI. PROCEDURE FOR OF THE PRIVATE SALE**

57. By separate motion (the "Procedures Motion"), Starmet has requested that the Court establish certain conditions and terms for the conduct of the Private Sale.

**VII. CONCLUSION**

58. For the reasons set forth above, the Private Sale is in the best interests of Starmet, its estate and creditors. Starmet believes that the Private Sale will generate bidding resulting in the highest and best offers available in the marketplace.

59. In the event, however, that Starmet fails to receive adequate offers on any of the Sale Assets, Starmet requests authority, at its sole discretion, to withdraw such assets from the Private Sale and make further attempts to sell by private sale.

60. Starmet requests that the Court waive the ten (10) day stay provisions of Federal Rule of Bankruptcy Procedure 4001.

WHEREFORE, Starmet respectfully requests that the Court enter an Order:

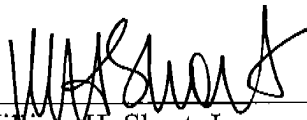
- A. Authorizing and approving the sale of all of the Sale Assets described in this motion out of the ordinary course, pursuant to 11 U.S.C. §363(b)(1), and free and clear of all liens, claims and encumbrances pursuant to 11 U.S.C. §363(f);
- B. Authorizing Starmet to sell the Sale Assets to the Purchasers, or such party submitting a higher or better offer;
- C. To the extent that a party submitting the highest and best offer fails to close on the sale of any of the Sale Assets, authorizing the Debtor to sell

any of the Sale Assets to the party submitting the second highest or best offer without further Court approval;

- D. Finding that the Purchasers made the Offer and would purchase the Sale Assets in good faith within the meaning of Section 363(m) of the Bankruptcy Code
- E. Waiving the ten (10) day stay provisions of Federal Rule of Bankruptcy Procedure 4001.
- F. Granting it such other relief as is just.

Respectfully submitted,

HAYNSWORTH SINKLER BOYD, P.A.



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Attorneys for Starmet CMI Corporation,  
Starmet, Corporation, Starmet NMI  
Corporation

Dated: September 10, 2002

## OFFER TO PURCHASE ASSETS

This offer to purchase certain assets is made and delivered this \_\_\_\_ day of September, 2002 by Advanced Specialty Metals, LLC ("ASM"), Applied Materials Science, LLC ("AMS") or their nominee (hereinafter referred to collectively as "Purchaser") to Starmet Corporation (hereinafter referred to as "Starmet" or "Seller"). Subject only to the approval of the Bankruptcy Court (as defined below), upon acceptance by Seller it shall become a legally binding agreement (the "Agreement") subject to the terms and conditions set forth herein.

### RECITALS

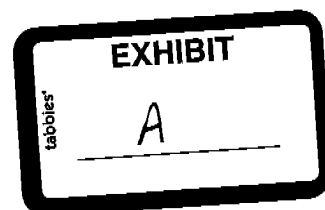
**WHEREAS**, on March 26, 2002 Starmet CMI Corporation ("CMI") filed a petition to reorganize under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court" or the "Court");

**WHEREAS**, on April 3, 2002 Starmet filed a petition to reorganize under Chapter 11 of the Bankruptcy Code with the Bankruptcy Court;

**WHEREAS**, the administration of the estates of Starmet and CMI has been administratively consolidated under Case Number 02-03759-B by the Bankruptcy Court;

**WHEREAS**, Starmet conducts its operations at a facility in Concord, Massachusetts (the "Concord Facility");

**WHEREAS**, Citizens Bank of Massachusetts ("Citizens") has claims against Starmet and CMI in the approximate amount of \$9,000,000 secured by substantially all of the assets of Starmet and CMI;



**WHEREAS**, Starmet and CMI have entered into a compromise and settlement agreement with Citizens requiring the approval of the Court and providing for the sale of substantially all of the assets of Starmet; and

**WHEREAS**, Purchaser desires to acquire the assets of Starmet;

**NOW, THEREFORE**, subject to the approval of the Bankruptcy Court, with the intent that this proposal, if accepted by Seller, shall become a binding agreement among Purchaser and Seller (sometimes collectively the "Parties"), subject to the terms and conditions set forth herein, Purchaser offers to purchase substantially all of the non-real estate assets of Seller as follows:

**I. DEFINITIONS AS USED HEREIN.** The following terms have the following meanings:

1. Except as otherwise provided below, "Assets" shall mean all machinery, equipment, furniture, inventories of raw materials, work in process, finished goods, parts and supplies, patents, licenses, copyrights, trademarks, trade names, and service marks, intellectual property of any and all description, technology and know how, including fluorine gas mining technology, claims, choses in action, manuals, pamphlets and engineering and other data relating to the use of the Assets being acquired hereunder, owned by Starmet. The term "Assets" includes, but is not limited to, the Assets located at the Concord Facility and the Assets located at CMI's facility in Barnwell, South Carolina. The term "Assets" does not include any real property, stocks, securities, cash, accounts receivable, deposits, the causes of action and choses in action set forth below, any equipment, technology, patents or know-how necessary to operate Starmet CMI or any asset owned by CMI. Notwithstanding anything to the contrary contained in this Agreement, the term "Assets" shall not include any causes of action or choses in action (a)

under Sections 544, 545, 546, 547, 548, 549, 550 and 553 of the Bankruptcy Code, (b) arising from or related to the contamination existing at the Concord Facility, (c) arising from or relating to any insurance policies, (d) against the United States Army, its agents, assigns or successors, (e) against current and former officers and directors, and (f) against Advanced Specialty Metals LLC, Applied Materials Science LLC and/or Applied Technology Management LLC.

2. "Bankruptcy Court" shall mean United States Bankruptcy Court for the District of South Carolina.

3. "Lien" shall mean any security interest, mortgage, statutory or common law lien, claim, right, or encumbrance, matured or unmatured in any way affecting, limiting, or impairing the right of Purchaser to own, possess, or use the Assets.

4. "Sale Order" shall mean an order of the Bankruptcy Court, reasonably acceptable to Starmet and Purchaser, which shall provide, among other things and without limitation, that:

- (i) the sale of the Assets to Purchaser in accordance with the terms and conditions of this Agreement and pursuant to, among others, Sections 363 of the Bankruptcy Code are approved;
- (ii) the consideration provided by Purchaser pursuant to this Agreement constitutes reasonably equivalent value and fair consideration for the Assets; (iii) Purchaser is a good faith purchaser of the Assets, as that term is used in Section 363(m) of the Bankruptcy Code, and is entitled to the protections provided by such section; and (iv) the sale and transfer of the Assets to Purchaser shall vest the Buyer with all right, title and interest to the Assets free and clear of liens;

5. "Final Order" shall mean an order or judgment which has not been reversed, stayed, modified or amended and, as to which (i) the time to appeal or seek review or rehearing has expired and as to which no appeal or petition for certiorari, review or rehearing is pending, or



(ii) if appeal, review, re-argument or certiorari of the order has been sought, the order is affirmed or the request for review, re-argument or certiorari has been denied and all the time to seek a further appeal, review, re-argument or certiorari has expired, and as a result of which such order shall have become final and non-appealable in accordance with applicable law; provided, however, that the possibility that a motion under Federal Rules of Bankruptcy Procedure 9024 may be filed with respect to such order shall not cause such order not to be a Final Order.

## **II. PURCHASE PRICE.**

Subject to the terms and conditions contained herein, Purchaser offers to purchase the Assets for the sum of Six Hundred Thousand Dollars and No Cents, (\$600,000.00).

## **III. TERMS AND CONDITIONS.**

This Offer to Purchase is expressly conditioned upon satisfaction of the following terms and conditions which, upon acceptance, shall constitute essential terms of the purchase and sale agreement.

1. *Purchase of Assets.* Subject to the terms of this Agreement, at closing Purchaser shall purchase and Seller will sell, transfer, assign and convey to Purchaser all of the Assets pursuant to a Sale Order.

2. *Sale As Is, Where Is – No Warranty.* Purchaser shall acquire the Assets on an as-is, where-is basis with no warranty being given by Seller as to the quality or condition of the Assets or their fitness for any particular purpose for which Purchaser intends to use them. Seller makes no representation or warranty regarding the existence or absence of any hazardous, radioactive or other environmental contamination. Seller makes no representation or warranty that the Assets can be decontaminated, removed, or utilized without special licenses or

environmental regulatory clearances. Seller makes no representation or warranty as to whether patents or other intellectual property have been maintained or are otherwise free from assignment in whole or part to third parties. The Parties acknowledge that some or all of the Assets being purchased may be contaminated with environmental pollutants, including depleted uranium, beryllium, and other toxic materials, and may require environmental remediation before they can be moved from Seller's premises or operated, and that removal and/or decontamination may require licenses and administrative approval.

3. *Governmental Approvals.* Purchaser acknowledges that it is assuming all responsibility to obtain, or for any failure (by Purchaser or Seller) to obtain, any consent or approval of any Government or other person to remove, operate, use and/or decontaminate the Assets and that the failure to obtain such consents or approvals shall not be a condition to Closing.

4. *Sale Free and Clear of Liens; Approval of Bankruptcy Court.* The sale contemplated herein shall be such that Purchaser acquires the Assets free and clear of any liabilities, obligations, liens, security interests and encumbrances pursuant to Section 363 of the Bankruptcy Code. The Parties recognize that consummation of this Agreement requires approval of the Bankruptcy Court. Upon acceptance of this Agreement, Seller agrees to file the pleadings required by the applicable provisions of the Bankruptcy Code sufficient to convey the Assets to Purchaser free and clear of all liens under Section 363 of the Bankruptcy Code.

5. *Expiration of Purchaser's Obligations Hereunder.* This offer shall expire without any further action on the part of Purchaser if it is not accepted within ten (10) days of its execution and delivery to Seller. If accepted, Purchaser's obligations hereunder shall expire if

Seller's motion for sale of Assets free and clear of liens is not approved by the Court by October 10, 2002.

6. *Consideration for Purchase of Assets; Terms of Payment.* In full consideration for the purchase of the Assets, Purchaser shall pay Seller the sum of Six Hundred Thousand Dollars and No Cents, (\$600,000.00) (the "Purchase Price"). Fifty percent (50%) of the Purchase Price offered herein (the "Deposit") has been placed in escrow with Seller's counsel. The Deposit is refundable only if the Seller fails to close the sale of the Assets through no fault of the Purchaser. Upon the entry of a Final Order approving the sale of the Assets to the Purchaser consistent with the terms of this Agreement, the remaining fifty percent (50%) of the Purchase Price shall be paid to counsel for Citizens, and Seller's counsel shall pay the Deposit to counsel for Citizens.

7. *Authorization of Agreement.* The execution, delivery and performance by Seller of this Agreement and all other agreements contemplated by this Agreement, have been duly and validly authorized and approved by all necessary corporate action.

8. *Ownership of Assets.* Seller has good and marketable title to all of the Assets. Seller represents that no delinquent taxes will become a charge against the assets.

9. *Transaction.* If Seller maintains insurance on the Assets, Seller shall continue to do so until consummation of the transaction contemplated in this Agreement and for any period thereafter during which Seller may retain possession and/or use of the Assets.

10. *Representations of Purchaser.* Purchaser is a duly organized and validly existing limited liability company in good standing under the laws of Massachusetts and has the legal power and right to enter into and perform this agreement. The consummation of the transaction

contemplated by this Agreement in accordance with its terms will not cause Purchaser to be in breach of any provision or constitute a default under any indenture, agreement, or any instrument to which Purchaser is a party or by which it may be bound. The execution, delivery and performance by Purchaser of this Agreement has been duly and validly authorized and approved by all necessary action of its members. Purchaser shall not take any action which shall cause it to be in breach of any representations, warranties, covenants or agreements contained in this Agreement. The Purchaser shall use commercially reasonable efforts to perform and satisfy all conditions to Closing (as defined below) to be performed or satisfied by the Purchaser under this Agreement as soon as possible, but in no event later than the Closing.

11. *Other Conditions.* This Offer is subject to the following additional terms and conditions:

- 11.1 *Starmet Right of First Refusal for Decontamination Work.* Starmet shall have the right of first refusal to do any of the work necessary for the decontamination of the Assets upon the same terms and at the same price as any bonafide offer made by a third party. Any offer for environmental remediation or decontamination of the Assets shall be made to Purchaser in writing and a copy of such writing shall be delivered to Starmet forthwith and prior to acceptance of the proposal by Purchaser. Starmet shall have five (5) days following delivery of the third party proposal to notify Purchaser that it will perform the environmental remediation and/or decontamination upon the terms set forth in the third party proposal. If Starmet has not so notified Purchaser, Purchaser shall be free to engage in the third party proposal at the expiration of five (5) days following delivery of the

proposal to Starmet. Notwithstanding the foregoing, Purchaser may negotiate with Starmet to the exclusion of any third party for the decontamination of equipment.

- 11.2 *Transfer of Assets to CMI.* All Assets acquired by Purchaser which are not now, but may become necessary for the continued operation of CMI during its Chapter 11 proceeding, will be sold or licensed to CMI for \$10.00. This provision shall survive closing and will continue to be effective for two (2) years following this transaction. This provision shall become null and void in the event of (a) the dismissal of CMI's bankruptcy proceeding; or (b) the conversion of CMI's bankruptcy proceeding to a case under Chapter 7 of the Bankruptcy Code.
- 11.3 *Lease to Starmet.* Any Assets necessary for the continued operation of Starmet, including the license or sub-licensing of any intellectual property associated with the business conducted at Starmet shall be leased to Starmet for the sum of \$10.00 per month (the "Lease"). The Lease shall continue until Starmet ceases operations at the Concord Facility as a debtor in possession or reorganized debtor in charge of its own assets and operations. Purchaser agrees not to remove assets acquired from Starmet until at least May 31, 2003 under the above stated terms. Purchaser shall be responsible for the maintenance of the equipment during the term of the Lease, including the defense of all intellectual property from interference or unauthorized use.
- 11.4 *Non-Saleable Assets.* Any Asset which cannot be removed from Starmet's facility or decontaminated at a reasonable cost to Purchaser, shall be excluded from the

sale of Assets at the sole discretion of the Purchaser. As soon as practicable, Purchaser shall notify Seller in writing which Assets shall be excluded.

11.5 *Purchaser's Right of First Refusal.* The Parties acknowledge that Starmet is obligated under the Bankruptcy Code to provide notice of the sale of the Assets and an opportunity to submit counteroffers to creditors and parties in interest. Starmet agrees to request overbid protection for the Purchaser in an amount of not less than sixty thousand (\$60,000). It is expressly acknowledged that if a counter-offer is submitted for the Assets, Starmet will provide immediate notice of such counter-offer to Purchaser and Purchaser shall have the right to submit one or more competing offers.

11.6 *Starmet Option to Repurchase.* Upon confirmation of a Chapter 11 plan by Starmet, Starmet shall have the right to repurchase any or all of the Assets acquired by Purchaser hereunder at the then appraised auction value, provided that such purchase price shall be not less than sixty percent (60%) nor greater than One Hundred Twenty Five Percent (125%) of the Purchase Price, as allocated to any particular Asset if necessary. This option shall remain open until the earlier to occur of: (a) sixty (60) days after confirmation of a Chapter 11 plan by Starmet; (b) Starmet's bankruptcy proceeding is dismissed; or (c) Starmet's bankruptcy proceeding is converted to another Chapter under the Bankruptcy Code or a trustee is appointed for Starmet pursuant to Section 1104 of the Bankruptcy Code.

11.7 *Closing Documents from Seller.* Seller agrees to deliver to Purchaser within ten (10) days of the entry of a Final Order from the Court approving this transaction the following:

- (a). *Certified Copy of Final Order.* A certified copy of the Final Order approving this transaction.
- (b). *Transfers.* Good and sufficient bills of sale, assignments, and other instruments of transfer as shall be necessary, in the reasonable opinion of Purchaser's counsel to convey and transfer to and vest in Purchaser all of Seller's right, title, and interest in and to the Assets.
- (c). *Officer's Certificate.* A certificate of Seller's president dated after entry of the Final Order, certifying that to the best of his or her knowledge and belief the representations made by Seller herein remain true and correct in all material respects, and that any conditions precedent required to be fulfilled by Seller have been fulfilled in all material respects.

12. *Closing Documents from Purchaser.* Upon tender of the closing documents by Seller, pursuant to the preceding paragraph, Purchaser shall issue its instruction to Seller's counsel, confirming that it has received transfer of the Assets and instructing Seller's counsel to disburse the Deposit directly to Citizens or its counsel.

13. *No Liability on Termination.* In the event of the termination of this Agreement, damages under this Agreement shall be limited to the amount of the Deposit, provided that this subsection shall not preclude liability for a willful act, or a willful failure to act, in violation of

the terms and provisions of this Agreement, or for the failure of either party to use its best efforts to attempt to consummate the transactions contemplated hereby.

13.1 *Termination.* Notwithstanding anything to the contrary contained herein, this Agreement may be terminated at any time before the Closing:

- (a) By mutual consent of the Seller and the Purchaser;
- (b) By the Purchaser, on the date that is forty-five (45) days after the date hereof, if the closing of the sale contemplated in this Agreement (the "Closing") has not occurred; provided, however, that the right to terminate this Agreement under this paragraph (b) shall not be available to the Purchaser if (i) its failure to fulfill any of its obligations under this Agreement shall have been the reason that the Closing shall not have been consummated on or before said date; and (ii) the Bankruptcy Court has continued any hearing on the sale of the Assets to a date after forty-five days from the date of this Agreement;
- (c) By the Seller, on the date that is sixty (60) days after the date hereof, if the Closing has not occurred; provided, however, that the right to terminate this Agreement under this paragraph (c) shall not be available to the Seller if its failure to fulfill any of its obligations under this Agreement shall have been the reason that the Closing shall not have been consummated on or before said date; or



(d) By the Purchaser, upon approval by the Bankruptcy Court of the sale of the Assets to any other party based upon a higher or better offer.

13.2 Termination of this Agreement pursuant to the terms of this Agreement shall be effected by written notice to the other party specifying the provision pursuant to which such termination is made. The representations and warranties and covenants of the Seller contained in this Agreement or in any document delivered pursuant hereto shall terminate as of the Closing Date.

14. *Brokers and Finders Fees.* Each of the parties represents and warrants that it has dealt with no broker or finder in connection with any of the transactions contemplated by this Agreement, and, insofar as such party knows, no other broker or other person is entitled to any commission or finder's fee in connection with any of these transactions.

15. *Further Assurance and Assistance.* Each of Purchaser and Seller agrees that after entry of the Final Order approving this transaction, and transfer of the Assets as contemplated by this Agreement, it will, from time to time, upon the reasonable request of the other, execute, acknowledge and deliver in proper form any instrument or further assurance necessary for the consummation of the transaction contemplated herein.

16. *Notices.* All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered, telegraphed or mailed, charges prepaid, addressed:

If to Purchaser to: Donald T King  
132 Great Road, Suite 200  
Stow, MA 01775

And: Gary Mattheson

132 Great Road, Suite 200  
Stow, MA 01775

If to Seller to: Mr. Gerald Hoolahan  
2229 Main Street  
Concord, MA 01742

And: Mr. Robert Quinn  
2229 Main Street  
Concord, MA 01742

or to such other address or addresses as either Purchaser or Seller may  
communicate in writing to the other.

17. *Entire Agreement.* This Agreement and other documents referred to herein contain all the terms and conditions agreed upon by the parties hereto, and no other agreements regarding the subject matter hereof shall be deemed to exist or bind the Parties hereto unless they are in writing, specifically refer to this Agreement, and are executed by Seller and Purchaser.

18. *Captions.* The captions used in this Agreement are for convenience only, shall not be deemed to constitute a part of this Agreement, and shall not be deemed to limit, characterize, or in any way affect any provision of this Agreement.

19. *Governing Law and Severability.* Subject to such approval as is required by the Bankruptcy Code for consummation of the transaction contemplated herein, this Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts excepting its choice of law provisions. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

20. *Benefit of the Agreement.* This Agreement shall be binding upon and inure to the benefit of the Parties. The rights and obligations of Seller hereunder shall not be assignable without the written consent of Purchaser and the rights and obligations of Purchaser hereunder shall not be assignable without the written consent of Seller.

21. *Expenses.* Purchaser and Seller will each pay all of their expenses, including attorneys fees, in connection with the negotiation and preparation of this Agreement, the documents and instruments referred to herein, the performance of their respective obligations under this Agreement, and the consummation of the transactions contemplated by this Agreement.

22. *Amendment or Modification.* This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by the party waiving compliance. Any waiver by any party of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed to be nor construed as a furthering or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

IN WITNESS WHEREOF, the Parties have signed this Agreement as of the date set forth above.

WITNESSES:

SELLER

Leticia H. Hunter By: Catherine E. Pether

STARMET CORPORATION

[Signature]

Purchaser:

Leticia H. Hunter By: Catherine E. Pether

Advanced Specialty Metals, LLC

[Signature]

Applied Materials Science, LLC

Leticia H. Hunter By: Catherine E. Pether

[Signature]

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Line #	Qty	Manufacturer	Model	Description
<b>Concord - Depleted Uranium Mfg.</b>				
1	1	Cincinnati Milacron	340-20	D.I.E. Twin Grip Hyd. Centerless Grinder, s/n 9125-340-89-0105 w/Feedall 1700 H.D. Feeder, s/n 1095A w/Feedall 1600FHD Takeoff, s/n 10951B w/Polycon Mod. W200-1000D Chip Conveyor & Coolant Processor
2	1	Okuma	LC30- 1SC	CNC Lathe, s/n 1607 w/Tailstock, OSP5000L-G Okuma CNC CRT Control, 1987
3	1	Okuma	LC30- 1SC	CNC Lathe, s/n 1366 w/Tailstock, OSP5000L-G Okuma CNC CRT Control, 1986
4	1	Okuma	LC30- 1SC	CNC Lathe, s/n 1350 w/Tailstock, OSP5000L-G Okuma CNC CRT Control, 1986
5	1	Okuma	LC40- 2SC	CNC Lathe, s/n 1225 w/Tailstock, 2 Turrets, 4-Axis Simulturn, OSP5000L-G Okuma CNC CRT Control, 1986
6	1	Whacheon	WL435	17/21x42" Lathe, s/n 9-8708-11, 1987 w/Travadiol, Anilam XY, D.R.O.
7	1	Whacheon	WL435	17/21x42" Lathe, s/n 9-8509-20, 1985 w/Travadiol, Anilam XY, D.R.O.
8	1	Mori Seiki		17"x36" Lathe, s/n 15971 w/Travadiol, Anilam XY, D.R.O.
9	1	J&L	Epic 120	Optical Comparator, 20" Vernier, s/n C-520491 w/Quadra Check 2000 XY, D.R.O., Neat 310 Programmable Motion Controller

Friday, December 29, 2000



Page 1

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
10	1	J&L	Epic 120	Optical Comparator 20" Vernier, s/n C-520492 w/Quadra check 2000 XY, D.R.O. Neat 310 Programmable Motion Controller
11	Lot			Mojave Granite Plates w/Gages & Balance, Universal Concentricity Gages w/PC, Asst. Dial Gages, Microscope, Thread Gages, Digital Micrometer
12	1	Dake	6.175	75 Ton Hyd. Press, s/n 145567
13	1	Meeco	2R2W	2 Roll Bar Straightener HD1, s/n AD341
14	Lot			Approx. 60 Gray Steel Penetrator Baskets, Plastic Coated
15	Lot			Steel Legged Maple Top Benches
16	3	Multiton	5000#	Hyd. Jacks
17	1	Donaldson		7 1/2 HP Port. Sump Sucker
18	1	Hercules	CI-323	Port. Crane, 2000# Cap.
19	1	Yale		Elec. Pallet Jack w/Charger
20	1	Knack		Steel Job Box
21	Lot			14 Asst. Size Lista Cabinets
22	1	Deltronic	DH14-RR	14" Optical Comparator, s/n 6807929
23	1			Ultrasonic Cleaning System w/Blackstone Power Supply, 3 Stainless Steel Tanks, Heated, Approx. 300 Gal. Ea., 5 Asst. Pumps, Panel Control
24	1	Gruenberg	C45-U360	Elec. Drying Oven, s/n 7453, 18 KW, Digi Temp. Readout
25	1	Shaw Box	Dresser	1 Ton Elec. Bridge Crane w/6-Way Pendant Control & Twin City Bridge 12'x22' Frame
26	1	Wallace		Port. Gantry, Adj. W/1-Ton Chain Fall

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
27	1	Clark	3550#	Elec. Forklift, s/n 4015, 188" Lift w/Charger
28	1	Spanmaster		1 1/2 Ton Bridge Crane, 21x60', 6-Way Pendant Control & 60' Monorail Spur
29	Lot			Stainless Steel Tanks, Stainless Steel Pumps, Stainless Steel Baskets, Rod Holders, Heat Exchangers, Metering System, Fume Hoods, Gallon Meter, Etc.
30	1	Met-Pro-Duall	PT-514-495	Acid Fume Scrubber, s/n I9578, 3600 CFM, 9-10 SP, 125 GPM w/Control Panel
31	1	Twin City		Bridge Crane, 40'x170" w/Shaw Box 3-Ton Elec. Hoist, 6-Way Pendant
32	1	Twin City		Bridge Crane, 35'x80' w/Shaw Box 2-Ton Elec. Hoist, 6-Way Pendant Control
33	1	Sonicor		S.S. Ultrasonic Clean Tank, Power Supply GSS9604-43, s/n 90414-0594
34	1	Twin City		Bridge Crane, 40' Span w/Shaw Box 3-Ton Elec. Hoist, 6-Way Pendant Control
35	1	Crown		4000 Lb. Elec. Pallet Jack w/Charger
36	1	Loewy		1964, 1400 Ton (Panuc) Hyd. Extrusion Press, Air Over Water, 2 Speed, 0-100 IPM Low, 100-1000 IPM High, Run Out Conveyor Tables & 22 Asst. Liners, 3"-7" Dia. w/Norwalk 40 HP Air Compressor, Aldrich High Pressure Water Pump, 75 HP, 3 Steel Tanks, Hyd. Rod Shear
37	1	Loadlifter		5 Ton Bridge Crane, 20'x160' w/Loadlifter 5 Ton Hoist, 6-Way Pendant

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
38	1	Lindberg	#9, 11- RP- 2472182 0AS	Elec. Oven 2000 Deg. F
39	1	Lindberg	#8, 11- RP- 2472182 0AS	Elec. Oven 2000 Deg. F, s/n 24365
40	1	Electra	#2, 121943	Elec. Oven 2400 Deg. F
41	1	Hevi-Duty	#12, LTE 10-4036- 36-S	Elec. Oven 1200 Deg. F, s/n 100436
42	1	Grieve	#11, AB- 50	Elec. Oven 1000 Deg. F, s/n 360021
43	1	Birdsboro		4-Post Hyd. Press, 275 Ton, Upstroke, 24"x24" Platen, Approx. 13" Stroke, Shop #H-88250
44	1	Cottermatic		20" Wet Abrasive Cutoff Saw, Hyd., Cylindrical, Hyd. Feed
45	1	Watson-Stillman		Hyd. 300 Ton Extrusion Press
46	1	Sutton		100 Ton Hyd. Vertical Straight Side Press
47	2	American	B1630	Elec. Furnaces, 1900 Deg. F, s/n 82219, 5713
48	1	Electra	121943	Elec. Furnace 2400 Deg. F
49	2	Hoskins	FO2040	Elec. Furnaces
50	1	Powermaster	1422	Port. Hi-Pressure Washer
51	1	Stone		11 HP 20" Dia. Cold Saw
52	1	Yale	ESCO25 G4S071	Elec. Narrow Aisle Forklift, s/n N372697, , 2500 Lb. Cap., 106" Lift w/Charger
53	1	Yale	ESCO25 ABN24S V072EF	Elec. Narrow Aisle Forklift, s/n N454684, 2500 Lb. Cap., 104" Lift w/Charger
54	1	Hern	V125	Vertical Bandsaw, s/n 308589



<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
55	1	A-B Marvel	81A	18" Vertical Band Saw, s/n E-2911388
56	1	Pressure-Blast	S.B. EWEL	Blast Cabinet, s/n 932549
57	8	Budgit		1 Ton Elec. Hoists
58	3			1 Ton Bridge Cranes, 12-15' Spans x 30' w/Elec. & Pendant Controls
59	1	Inductotherm	PowerTr ak 125- 30	(Tower 6) Vacuum Induction Furnace, (2) 19" Induction Melting Furnaces, Cold Wall Mold Chambers, High Vacuum Pump, Roughing Pump, 2 Scissors Lifts w/Control Panel on Mezzanine
60	1	Inductotherm	PowerTr ak 125- 30	(Tower 7) Vacuum Induction Furnace, (2) 19" Induction Melting Furnaces, Cold Wall Mold Chambers, High Vacuum Pump, Roughing Pump, 2 Scissors Lifts w/Control Panel on Mezzanine
61	1	Inductotherm	PowerTr ak 125- 30	(Tower 8) Vacuum Induction Furnace, (2) 19" Induction Melting Furnaces, Cold Wall Mold Chambers, High Vacuum Pump, Roughing Pump, 2 Scissors Lifts w/Control Panel on Mezzanine
62	1	Inductotherm	PowerTr ak 125- 30	Spare Induction Power Supply
63	1	VIP-Inducto-Therm	PowerTr ak 175- 30	Generator, Glycol Cooled w/Bohn 2-Fan Condenser Blower (outside)
64	1	Grieve	SA550	Elec. Tray Oven, s/n 610146, 550 Deg. F
65	1	Grieve	SA550	Elec. Tray Oven, s/n 47620, 550 Deg. F
66	1	Power		4' Roll Ball Mill w/Jaws
67	1	Electra	726060	Car Loading Burnout Oven 800 Deg. F, s/n 0935

<i>Line #</i>	<i>Qty</i>	<i>Manufacturer</i>	<i>Model</i>	<i>Description</i>
68	3	Twin City		Bridge Cranes, 24'x70' w/Shaw Box 1 Ton Elec. Hoists, 6-Way Pendants
69	1	Twin City		Bridge Crane, 10'x60' w/Yale 1 Ton Elec. Hoist, 6-Way Pendant
70	1			Special Built Crucible Cleaning Station w/Cleaning Chamber & Paint Chamber, Conveyor System, Binks Tank w/Air Mixers, Console Control & Exhaust
71	Lot			Elec. Stackers, Elec. Pallet Jack, Shop Carts, Dial Platform Scale
72	1	Marklift	30KBN	Self Propelled Hyd. Aerial Man Lift, Approx. 30' Lift, 500 Lb. Cap., s/n 1189-M4253
73	1	Kalamazoo	H9A	Horiz. Band Saw, s/n 11690
74	1	Miller	Syncrow ave 300	Welder, s/n HGD70225 w/Bernard Cooler
75	1	Ergolift	1015A	Hyd. Manipulator, s/n 2-1-5-B-K-E-1 w/Vesco 1 Ton Bridge Crane
76	1	Leybold	WA500	Vacuum Blower System & Trivac Vacuum Pump
77	1	H.K. Porter		Hyd. Crimping System
78	1	Herbert	9C-30	Oil Turret Lathe, 9" Hole, s/n 25-13585, Pendant Control
79	1	Kalamazoo	H9AW	Horiz. Band Saw, s/n 9576
80	1	Okuma	MX- 45VAE	CNC Vertical Machining Center, s/n 10059292-1998 w/Okuma OSP700M CRT CNC Control w/20 Sta. A.T.C., 39 1/2"x20" Table
81	Lot			D.E. Grinders, 4 Lista Cabinets, Parts Washer, Cecor Port. Sump Pump, 1 Ton Elec. Hoist, Benches, Carts, Stock Rack, Granite Plate, Height Gage, Ladder, Crane, Etc.

<i>Line #</i>	<i>Qty</i>	<i>Manufacturer</i>	<i>Model</i>	<i>Description</i>
82	1	Deckel	FP33	Horiz. Miller w/Vertical Head, 47"x25" Table, s/n 2400-0213, B&L XYZ, D.R.O., 1600 RPM
83	1	B&S	824 Microma	Hyd. Feed Surface Grinder, s/n 523-824-2383 w/Wheel Dresser ster
84	1	B&S	Microscope 818	Hyd. Surface Grinder, s/n 523-8182-6393
85	1	Electro Arc	2MSA	Tap Disintegrator, s/n 715C
86	1	Bridgeport	Series II	CNC Special Vertical Miller w/Track CNC 2 Control, s/n 7051S, 58" Table, 2 HP, XYZ, D.R.O.
87	1	Bridgeport	Series I	2 HP Vertical Miller, s/n 228157, 42" Power Table, 4" Riser, Right Angle Drill & Kurt 6" Vise w/Acurite XY D.R.O.
88	1	Sunnen	MBB1600	Hone, s/n 46303
89	1	Manley		Hyd. H-Frame Press, 80 Ton
90	1	DoAll	ML	16" Vertical Band Saw, s/n 4611714
91	1	Marvel	Series 81-8/M5	Vertical Band Saw, s/n E323-588, w/41" Hand Chip Conveyor
92	1	Eldorado	M75-1041	Hyd. Horiz. Gun Drill, s/n 991, Approx. 24' Stroke, Filter F18-1101, s/n 800
93	1	Hardinge	HLV-H	Lathe, s/n HLV-H9853-T, 3000 RPM w/Aloris Post, Collets, Tooling
94	1	Mori Seiki	MS-850	17x36 Gap Lathe, s/n 14852, 1800 RPM
95	1	Okuma	LS	Gap Lathe, 21"x60", s/n 4112-10763, Travadial, Tooling
96	1	Lodge & Shipley	AVS2013	Lathe, s/n 50919, 21 1/2x58", Travadial, Taper Attach., 2000 RPM, Threading, Tooling

<i>Line #</i>	<i>Qty</i>	<i>Manufacturer</i>	<i>Model</i>	<i>Description</i>
97	1	K.O. Lee	B6062	T&C Grinder, s/n 23548RL, w/Eldorado Fixture & Tooling
98	1	Clausing		V.S. Floor Drill, 20", s/n 524102
99	1	Mori Seiki	MS-850	Lathe, 17"x36", s/n 14374, Travadial
100	1	Whatcheon		17" GX40, s/n 9-8711-47, Travadial, XY D.R.O.
101	1	Mori Seiki	SL-1A	CNC Lathe, s/n 709859-1983, w/Tailstock, Fanuc System 3T Control, 12-Station Tool Holder
102	1	Hardinge	Super Slant SB- 3-AB	CNC Turning Center, 2 Turret Heads, s/n SB-286, Allen Bradley 8200 Control
103	1	Sunnen	MBC184 0	Hone, s/n 85672, w/Power Stroke, 6"
104	1	Okuma	LB15	1988 CNC Lathe, s/n 6316, Tailstock, 12-Station Turret, Okuma OSP5000L-G CRT Control, DNC Capabilities, Okuma UR10 Robot Arm, s/n 0101.0112
105	1	Mori Seiki	SL-4	CNC Lathe, s/n 871-1981, 10- Station Turret Tailstock, Yasnac 2000 Control
106	1	Mori Seiki		17"x36" Gap Lathe, s/n 15972, Travadial, 1800 RPM
107	1	Mori Seiki		17"x36" Gap Lathe, s/n 14912, Travadial, 1800 RPM
108	1	Yale		1-Ton Bridge Crane, 14'x45' Pendant Control
109	1	J&L	Epic 120	Optical Comparator, s/n 520520, w/J&L XY D.R.O., 20"
110	Lot			Combination Safe, Hand Pumps, Hand Trucks, Lista Cabinets, (5) 11 Ton Hoists, Yale Elec. Pallet Jack, Benches, Carts, Stackers, Arbor Press, Die Table
111	1	Deckel	FP3	Universal Mill, s/n 2201-5923, Control D.R.O.

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
112	15			Asst. Lista Cabinets w/Perishable Tooling, Drills, Mills, Taps, Reamers, Inserts, Etc.
113	Lot			Aloris Tool Posts, Rotary Tables, 5C Collet Fixtures, T-Slot Tables, Dividing Head, Waulhaupter Boring Heads, Black Diamond Grinder, Etc.
114	Lot			4 Pedestal Grinders, Clamps, Chain, Dumore Tool Post Grinder
115	1	Miller	Syncrow ave 300	Welder, s/n HK320776, w/Cooler
116	1	Morse	L-5154	V.S. Roll Positioner
117	1	Econoline		Blast Cabinet, 30", s/n 88160
118	Lot			Elec. Hand Grinders, Baldor Grinder, Positioner, Belt Grinder
119	Lot			Files, Desks, chairs, Bookcases, PC
120	2	Buehler	10-1030	Cutoff Saws
121	1	Tyler	RX-29	Ro-Tap, s/n 5091, w/Enclosure & Screens
122	1	Tyler	RX-29	Ro-Tap, s/n 5097, w/Enclosure & Screens
123	1	Tyler		Ro-Tap sieve Shaker, s/n 20519
124	2	Wilson	3DR-B-RB-P	Digital Hardness Testers, s/n 266, 314
125	1	Wilson	B3553R	Digital Hardness Tester, s/n 81868706
126	Lot			Ultrasonic Test Tank w/Sperry S80 Reflectoscope & System Expansion Module, 8-Channel Cap.
127	1	Instron	4206	Tensile Tester, s/n 012, Controller
128	1	J&L	Classic 20	Optical Comparator, s/n F55214, w/Quadra-Chek II XY, D.R.O.
129	1	Toledo		S.S. Digital Scale

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
130	1	B&S	2000	Coordinate Measurer, s/n 0198-1578, 15"x21"x12" Area w/B&S Reflex Control Panel, Dryer & Printer
131	1	Deltronic		Optical Comparator, 14" Vernier, s/n A6804863, w/XY D.R.O.
132	Lot			Granite Surface Plates, Centers, Microscope, Vise, Fractured Toughness Tester, 40" Dial Height Gage, 12" Height Gage, Sine Table, V-Block, Mics, Verniers, Calipers, Inside Mics, Desks, Chairs, Benches, Stools, Tables, Cabinets, Shelving, Chemical Cabinet, Lista Cabinet, Files, Scales, PC
133	1	Varian	936-70SP	Leak Detector, s/n 67G-131X
134	1	Zyglo	ZD-37	Magnaflux Fluorescent Penetrant Inspection Station, s/n 88501
135	1	Faxitron		X-Ray Unit w/2 Cabinets
136	1	Carver		Lab Press w/High Pressure Test Unit
137	Lot			6 Asst. Bore Scopes in Boxes
138	Lot			Cabinets, Benches, Stools, Files, Safe, PC, Sealer, Mag Lamp, Etc.
139	1	Yale		Elec. Pallet Jack w/Charger
140	1	Crown	20MT	Walk-a-long Elec. Stack, 2000 Lb. Cap., s/n 27551
141	1	Mecco	MV-150S	Hyd. Roll Marking Machine, s/n C-27612
142	2	Multiton		Pallet Jacks
143	1	Toledo		Digital Floor Scale, 60" Platform
144	1	Brooks & Perkins	SB26	Power Floor Washer w/Charger
145	Lot			Desks, Bookcases, Shelving, Carts, Chemical Cabinet, Stairway in Area

Line #	Qty	Manufacturer	Model	Description
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146	Lot			Lista Cabinets, Granite Surface Plate, Benches, Dial Gages, Starrett Digi Check 18" Height Gage, Starrett 26" Gage, Edmunds Trendsetter w/Indicator Stand, Starrett Electronic Gagea #673, PC, H.P. Printer, Vacuum Gages, Asst. Height Gages, Plug & Mics, Gage Blcok Sets, Furniture, Etc.
147	1	Tinius Olsen		Tensile Tester, 60,000 Lb. Cap., s/n 70116, w/4-Post Gear Drive Stand, (Not in Service)
148	1	Cincinnati Gilbert		10"x4' Radial Arm Drill w/T-Slot Table
149	1	Yale	ERC050 JAN36S E083	Elec. Forklift, 4700# Cap., 190" Lift, s/n N450935, Side Shift w/Hobart Charger
150	1	Master		Chemical Coolant Recycler w/Westfalia Separator & Water Deionizer w/(2) 2700 Gal. Steel Tanks w/Pumps
151	Lot			1500 Gal. Fiberglass Tank w/Skimmer & Mixer, (2) 200 Gal. Plastic Tanks w/Mixers
152	2			Stainless Steel Copper Electro Winning Tanks, 350 Gal., 2 Rapid 60 KW, 5000 Amp. DC Rectifiers, Copper Bars, Hols, 2 Metering Pumps, Diaphram Pump, 2 Stainless Steel 2000 Gal. Insulated Tanks w/Heaters, Metering Pump & Controls
153	Lot			JWI Filter Press, 15 Plates, Mdl. 630G32-15/20-4/6DA, s/n 1134, 100 PSI w/(2) 450 Gal. Stainless Steel Tanks, 2 Pumps, 1 Hot Water Cooler

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
154	Lot			JWI Filter Press 630G32-27/33-8, s/n 4626, JWI Mdl. 621632-6-SNA, 7 Plates, Filter Press, s/n 1576, Sonodyne Feed System, JWI Mdl. 470G3013/20-2/5MA Hyd. Filter Press, s/n 3345, 20 Plates, (2) 2500 Gal. Fibre Tanks w/Filter, Pumps & Mixers, 2 Met Pro Mdl. G404-EC-2 1800 Gal. Nylon Tanks, Pumps, Mixers, Digital Control Panel, 2 Plastic 150 Gal. Tanks, Pump, Metering Pump, B&G Stainless Steel 50 Gal. Tank & Mixer, Sonodyne Gas Pulse Dryer, 2 1/2 GPM, s/n 07-08-88, Torit Pneu. Collector, Hap Filter System, Console Control, 3.5 Mil. BTU
155	1	Wright Way		1-Ton Elec. Monorail Hoist
156	1	Twin City		2000 Lb. Bridge Crane, 21'x50' w/Wright Way 1-Ton Hoist, 6-Way Pendant
157	Lot			11 MI Pumps in Cabinet
158	Lot			3 MII Pumps
159	Lot			2 MIV Pumps
160	Lot			Cement Mixer, Scales, Vermette Lift, Pallet Jack, Yale Elec. Pallet Jack, Etc. in Area
161	1			Plastic 1100 Gal. Tank w/Circulation Pump
162	1			Ring Mill/Pulverized w/Hercules Hyd. Dumper, 24" Infeed Conveyor, American Pulverizer Mdl. SA, s/n 7232, 25 HP, Polyclon Coolant Tank w/(2) 5 HP Pumps & 36" Outfeed Conveyor
163	1			1250 Ton Hyd. Press, Upstroke, 36"x36" Bed, Hyd. Die Table, Approx. 12" Stroke
164	1	Mojave		Granite Balance Table



<i>Line #</i>	<i>Qty</i>	<i>Manufacturer</i>	<i>Model</i>	<i>Description</i>
165	1			5 Yd. Cement Mixer w/Skip Loader,, Bottom Discharge, Gal. Meter, Torit Collector
166	1	Teco		Cement Bag Opener, s/n 4294-100-136, w/24" Power Belt Feed, Rotating Knife Station, 19" Cement Auger, 8-10" Auger Conveyor & Hyd. Bag Compactor, 10 HP w/Flex Kleen Collector
167	2	Shaw Box		1-Ton Monorail Elec. Hoists w/Approx. 100' Elec. & Track
168	1	Hercules	HT-473	Hyd. Dumper, s/n D2770, 1000 Lb. Cap.
169	1	ABB-Raymond		Shot Blaster, s/n 100-480, w/Collector
170	1	Caterpillar	MC30	Elec. Forklift, 3000 Lb., s/n 41W1646, 156" Lift w/Charger
171	1	Clark	C-300	LPG Forklift, 5000 Lb. Cap., 90" Lift, Side Shift, s/n &466-6-4385
172	1	Shred-Pak	AZ-45	42"x30" Twin Head, 20 HP Power Shredder
173	1	Toledo		Digital Head Floor Scale, 36"x36" Plate
174	1	DoAll	Combour-Matic	36-3 Vertical Band Saw, s/n 126-59142
175	1			Hyd. Drum Compactor
176	1	Yale	TLP060R BHJAS0	LPG Forklift, 6000 Lb. Cap., 118" Lift, s/n P313233, Side Shift 2672 80
177	1	Toledo	8136	Digital Floor Scale, 5000 Lb. Cap., 4'x6' Plate
178	1	Butterworth Jetting Sys.	120XES	High Pressure Washer w/700 Gal. Tank, s/n 4438, 20,000 PSI, 100 HP
179	1	Powermatic		Port. Steam Pressure Washer
180	1	Goodway		Port. Pressure Washer, 2500 PSI, s/n 1567

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
181	1	Tennelec		A/B Counting System, 5100 Lb. In Side Room
182	1	Ajax		Magnet <del>thermic</del> Induction Furnace, C.C. Pacer Power Supply, 480 V, 840 KV/A, 1160 Amp., s/n M88690A MM3000, Tilt Melt Furnace, s/n N/A, Hyd. Unit, Cars, (2) 3-Ton Hoists, Structure, Evapor Tower LSWA-58B2, s/n 941966
182.1	1	Lindberg		Hydrogen Atmosphere Furnace, Type 511662-S, s/n 828518, 1200 Deg. C

**Concord - Depleted Uranium Mfg. Subtotal:**

**Beryllium Mfg**

1	1	Bridgeport	E-Z Trak	CNC Vertical Miller, s/n 8333E-1997, 3 Axis
2	1	Bridgeport	E-Z Trak	CNC Vertical Miller, s/n 8334E-1997, 3 Axis
3	1	Okuma	Cadet Mate	Vertical Machining Center, s/n 0173, 20-Station A.T.C., OSP7000M CNC Control
4	1	Okuma	MX45VA E	Vertical (1998) Machining Center, s/n 10-03-1159, 32-Station A.T.C., OSP7000M-HI CNC Control, Extended X Axis
5	1	Webb		Lathe, 115"x40", s/n L78007-11, Tooling
6	Lot			Lista Cabinets, Surface Plate, Tooling, Benches, Etc.
7	1	J&L	Epic 120	20" Optical Comparator Quadra Chek D.L.R.O., s/n E-93005
8	1	Leroi	WE100S	100 HP Rotary Air Compressor, SII
9	1	Sullair	LS16	Rotary Screw Air Compressor, 100 HP, s/n 003-11561, 999 Hrs. w/After Coolers

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
10	1	Sullair		75 HP Rotary Screw Air Compressor, s/n 44039
11	1	Worthington	Roll Air	40 HP Rotary Screw Air Compressor
12	1	Bridgeport		Vertical Miller, T Ram, s/n J48563
13	1	Tedesco	EB36483.6	Elec. Box Furnace, s/n 93041, 2000 Deg. F. Air Door
14	1	G&P		Belt Grinder, 1 1/2" Belt, s/n 0-10382
15	1	Northfield		Horizontal Band Saw, s/n 970010-A, 27"
16	Lot			(3) Trinco Abrasive Blast Cabinets, Mdl. 40X40SL w/Bag Dust Collector & Vibratory Finisher
17	1	Butterworth		Setting System, 8000 PSI Pressure Cleaner, 100 HP, Mdl. 110ES, s/n 4970, Enclosure Cabinet
18	1	Triplex	Water Jet	25 HP Pressure Cleaner, 3000 PSI Mdl. TRX1000G, s/n 100287-1996, Stainless Steel Enclosure
19	1	Ecco		Tilt Pour Elec. Induction Vacuum Furnace, Inducto Therm Power Supply, s/n 7269, 500#, Pumping System
20	1	Marvel	Series 8 Mark I	s/n 822209W
21	1	Baltzers		Tilt Pour Elec. Induction Vacuum Furnace, s/n 64-752

***Beryllium Mfg Subtotal:***

***Machinery & Equipment***

1	1	Katolight	D110FP H4	110KW White Diesel Generator Plant, s/n 89185-B-34147, 251 Hrs.
2	1	Crown		Elec. Stacker, 1500 Lb., s/n L-9647, S.C.
3	2	Shaw Box		1-Ton Elec. Hoists

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
4	1	Loadlifter		1-Ton Elec. Hoist
5	1	Yale		1/2 Ton Elec. Hoist
6	1	Spencer		60 HP Turbine Blower, Separator & Bag House & Spencer 60 HP Turbine Blower, Console Control
7	1	Spencer		25 HP Turbine Blower w/Separator & Bag House
8	1	Quincy		Dual 3/4 HP Head Air Compressor w/Colman Dryer
9	2	New York Blower		Size 249 III 20 HP Blowers
10	1	American		2000 Lb. Scissors Lift
11	1	Delta		1 1/2 HP Table Saw
12	1	Lockformer		16 Ga. Roll Slitter, 24" Throat, s/n 3029
13	1	Lockformer		20 Ga. Pitts Lockseam Former, s/n 20495, w/Flanger
14	1	W-T		Bench Drill Press
15	1	Connecticut		8-16 Hand Brake, s/n 830
16	1	Chicago	W31	4' Finger Brake, s/n 76527
17	1	Wysong	1652	52" Foot Shear, s/n F01-2681, Front Support, 24" M.B.C.
18	Lot			Racking, Tool Chests, Tools, Motors, Anvil, Pallet Jack, Vises, Benches, Shelving, Hand Truck, Ladders, Pumps, Stock Rack, Explosion Proof Lamps, Elec. Supplies, 50' Power Snaake, Floor Jack, Aluminum Pipe Staging
19				SALVAGE FURNACE AREA
20	1	Grieve	323	Elec. 2-Door Tray Oven, 350 Deg. F, s/n 312738
21	1	Rodgers	CRV-50	Panel Saw
22	1	Advanced	BKF-12- 21-900	Vacuum System Heat Treat Furnace, s/n 4-1180, 40 KVA
23	1	Liberty		Auto Shoe Cleaner

Line #	Qty	Manufacturer	Model	Description
24	1	Greenerd	H-150-50L11	Hyd. <del>Vertical</del> Straightening Press, 150 Ton., s/n 69T2074
25	Lot			2 Linde CE-301HW Power Supplies, 300 Amp. W/In-House Stub Welder, 2 1/2" Cap., Scissors Lift, 2000#
26	3	Twin City		Bridge Monorail w/Shaw Box 1-Ton Elec. Hoists
27	2	Loadlifter		1-Ton Elec. Monorail Hoists
28	4	Sweco	LS80044 4	1200 RPM, 1/2 HP Vibro Separators
29	1	Sweco	LS18S33	Vibro Separator
30	3			Steel Shot Vacuum Rotating Electrode Powder Machines, 85 Bars, 4420 Lb. Cap. w/Kinney Pumps, Manual Doors, Hyd. Arc Tracker, PH 1000 Amp., Miller 1500 Amp. Supplies, DC Drive Spindles, Power Feed Table, Auto Bar Rack, Speed Control, Tachometer
31	1	Clark	C500-50	LPG Forklift, s/n 35526122560, 5000 Lb. Cap., 104" Lift, 1315 Hrs.
32	1			Elec. Pallet Jack w/Charger
33	1	Hercules		Powder Dumping Station, 2-Ton Cap., Hyd., s/n 10201
34	1	Miller	XMT304 Series DC	Arc Welder, Port. Digital Readout, s/n KG247828
35				OUTSIDE WELL HOUSE
36	1	Dayton		5 HP Vertical Tank Air Compressor
37	1	Bluebird	Kaydee	1500# Port. Crane
38	1	CSC		Port. Air Bypass Unit
39	12			Wire Chrome Racks
40	Lot			Sony Camera w/Probe Monitor, Lite Source & Mitsubishi Print Copier

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
41	Lot			Desks, Bookcases, Cabinets, Hand Truck, Files
42	2	Phillips	MG161	Industrial X-Ray Machines w/Phillips MGC30 Digital Control w/Haskris Water Cooler, Mdl. WA- 3, s/n A6670, X-Ray Room
43	1	Instron	1127	Tensile Tester, s/n 7031, 50,000 Lb. Load Cell w/Control Panel, Upgraded
44	1	Zyglo	ZA-28W	Magnaflux Die Penetrate Station, s/n 86867
45	Lot			Water Mizer Processor, Sink, AFP Imaging Mdl. Mini Hed Developer, s/n MM4561NDT, Lab Bench, X- Rite Denistometer, Revolving Darkroom Door
46	1	B&S		Gage 2000 Coordinate Measurer, s/n 0198-1586, w/Renshaw MIP Probe, 18"x20"x16" w/PC & Printer
47	1	B&S		Validator, s/n 700-13101-9507, 24"x24"x16" w/Renshaw PH9A Probe w/PC & Printer
48	Lot			B&S Tesa Digital Height Gage, Starrett Height Gage, Scale, Calipers, Plug Gages, Mics, Dial Indicators, V-Blocks, Parallels, Hand Tools, Angle Blocks, Pin Gages, Benches, PC, Printer, Furniture, Etc.
49	1			Plasma Rotating Electro Process Metal Powder Machine for Titanium, Stainless Steel Jacketed 60" Chamber 60" Long, Leybold Hereaus Vacuum System, E250 Mechanical Pump, WA1000 Roots Blower, 2 Tafa DC Plasma Supplies 31-2B, 800/400 Amp., 30- 1B Power Supply, 350/175 Amp. Hyd. Tracker, Slide Table, DC Drive Spindle, 30 HP, Controls, Containers * Process Patented

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
50	Lot			Alcatel Port. Vacuum Pump, Hoists, Magnetic Separator, Stainless Steel Sweco Screen, Shelving Pallet Lift, Miller Syncrowave 300 Welder, Microscope
51	1			Plasma Rotating Electrode Process Metal Powder Machine, Stainless Steel Jacketed 60" Chamber, 10" Long, Leybold Heraeus E250 Mechanical Pump, WA1000 Rotts Blower, 2 Tafa DC Power Supplies, 800/400 Amp. 31- 2B, Tafa DC Power Supply 31-1B, 350/175 Amp., Hyd. Tracker, DC 30 HP Spindle Drive, Controls, Containers
52	Lot			Mag Separator, Sweco Stainless Steel Screen, Sieve, 2 Hoists w/Monorails, Pallet Jacks, Scal, Cabinets, Shelving in Room
53	1	Buehler	Isomet 2000	Precision Saw, s/n 5301ST-01076
54	2	Buehler	5	2-Speed Polishers
55	1	Olympus-Leco	M400-G1	Hardness Tester, s/n 200425
56	Lot			Lab Cabinets, Scale, Microscope, Press
57	12	Scott	Air-Pak	Emergency Response Self Contained Breathing Apparatus
58	1	Fireguard		Combination Data Safe, 4HR, 150Deg. F
59	1	Eckel		Eckoustic Audiometric Booth, s/n 6103-70, w/Maico Hearing Instrument
60	1	Titmus	II	Vision Tester
61	1			Pulmonary Function Tester w/Renaissance Digi Control & Printer
62	Lot			Lateral File, Table, Chairs

<i>Line #</i>	<i>Qty</i>	<i>Manufacturer</i>	<i>Model</i>	<i>Description</i>
63	1	Oxford Tennelec	Series 5, S5HP	Alpha-Beta Counter, s/n 38250, w/Gateway 2000 PC & Printer
64	1			Enriched Uranium Shield w/Canberra AFT Research Amplifier, Mdl. 2025, H.V. Power Supply, Mdl. 3106D
65	Lot			Detecto Scale, Refrigerator, Autoclave, Cabinets, Beds, Chairs, Carts, PC's, Furniture, Copier
66	Lot			5 Tool Chests w/Tools
67	Lot			Cabinets, Parts, Tool Chest, Pump, Dollie
68	Lot			Blast Trac 1-100 Port. Blast Floor Scarifier w/Port. Collector & Blast Trac Port. Floor Edger, Mdl. 1-8DEC, s/n 141911
69	Lot			Lab Hood, Lindberg/Blue M Kiln, 2 Melt Pots, Welch Duo-Seal Vacuum Pump
70	1	Vacuum Industries	Jumbo 7	Vacuum Annealing Furnace, Power-Trak 15-96 Power Unit, Large Miller Power Supply, Pumps, Etc.
71	1	Aus Jena	Neophot 21	Microscope, Camera, Analyzer
72	1	T/A Instruments	STD 2960	Simultaneous DTA-TGA w/Gas Switching Accessory, Personal Computer
73	1	Shimadzu Lab	X XRD-6000	X-Ray Diffractometer, s/n Q30335000083, w/PC & Printer
74	1	Nicolet	Magna-1R 560	Spectrometer ESP Gas Analyzer, s/n ADU9800579
75	1	Leco	GDS400 A	Glow Discharge Spectrometer, Mdl. 607-000, s/n 3092 (1996)



Line #	Qty	Manufacturer	Model	Description
76	Lot			3 Lab Hoods, Ohaus Scale, Lab Benches, Metlap Dispenser, Buehler Polisher, Leco Grinder, Economet Saw, Vise Press, Economet 5 Grinder, Etc. in 2 Areas
77	1	Rockwell	4JR	Hardness Tester, s/n 5225
78	1	Precision	31468	Vacuum Oven, s/n 10BA-4
79	1	Denton		Vacuum Desk II Vacuum Coater, s/n 10853, w/Carbon Accessory
80	1	Cambridge/Leo	Stereosc an 360	Scanning Electron Microscope, s/n 360-14-09, Link LZ-4 Software Mdl. 6103, s/n 1080-3691, PC Control, Approx. 1989
81	1			High Temp. Vacuum Furnace, 1650 Deg. C Max. Temp., Stainless Steel, Cooled, 1/2 Cu. Hot Zone, Pumps
82	1	Minijector	45' DRY	Injection Molder, s/n 050154595
83	1	Carver	C	Lab Press, s/n 34000-235
84	1	Sweco	LS18S	Separator, s/n 1S18-1777-7, w/Stand
85	Lot			Hoist, Benches, Vise, Shaker, Mounting Press, Sieves, Port. Stairs, Pumps, Lab Furniture, Lab Hood, Oven, Bath, Scales, Scopes
86	1	Materials Research		High Temp Vacuum Lab Furnace, s/n 1212, Approx. 8"x8"x16", Varian Turbo V-550 Pump Control, Temp Controls, Water Cooled
87	1	Materials Research		High Temp Vacuum Lab Furnace, s/n 1213, Approx. 8"x8"x16", Varian Turbo V-550 Pump Control, Temp Controls, Water Cooled
88	1	Miller	AEAD-200LE	Generator/Welder, s/n JB486366
89	1	Kysor Johnson	KJ10	Horizontal Band Saw, s/n 8506110
90	1	Ridgid	300	Pipe Threader, s/n 7560083, Tools

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
91	1			17" Bench Drill
92	1	Dayton		D.E. Grinder
93	1	Clausing Colchester		11"x32" Lathe, s/n 2/0021/02374
94	1	Marena		Vertical Miller, s/n 3882 w/Acu-rite III D.R.O.
95	1	Scotchman	314H122 980	Universal Ironworker, s/n 7101
96	1	Thermal Dynamics	PAK5XR	Plasma Cutter
97	1	Lincoln	Tig 300/300	Arc Welder, s/n AC-678143
98	1	Miller	Syncrow ave 350	Welder, s/n JJ488072, Radiator, Programmer
99	1	Thermcraft	28/25/10	Clamshell Furnace, s/n 89047
100	1	DoAll	ML	16" Vertical Band Saw, s/n 5116245
101	1	Pexto		Set 36" Hand Rolls
102	1	Alcatel	ASM121 H	Vacuum Leak Detector, s/n 3500
103	Lot			Shelving, Test Unit, Drill, Vise, Oxy-Acet Outfit, Curtain, Etc. in Shop
104	Lot			Desks, Chairs, Files, PC's, Printer in Maint. Office
105	Lot			Desks, chairs, Files, PC's, Printer, Drafting Table, Blueprint Copier in Facilities Eng. & Hallway
106	Lot			Digital VAX4000, DEC 2000, Compaq Servers, AST, Routers, Hubs, Etc. in Computer Room
107	Lot			Desks, Chairs, Files, Tables, PC's, Printers, Business machines, Etc. in Personnel

Line #	Qty	Manufacturer	Model	Description
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108	Lot			Desks, Chairs, Files, Tables, PC's, Printers, Business Machines, Partitions, Conf. Table, Modular Workstations in Sales Dept.
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109	Lot			Desks, Chairs, Files, Tables, PC's, Printers, Business Machines, Partitions, Conf. Table, Modular Workstations in Purchasing Dept.
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110	Lot			Desks, Chairs, Files, PC's, Business Machines, Etc. in Operations
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111	Lot			Desks, Chairs, Files, Tables, PC's, Printers, Business Machines in Finance
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112	Lot			South Bend 10" Lathe, Chicago H.D. drill Press, Grinder, Benches, Tables, Vises, Port. Stairs, Inspection Equipment in Hardware
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113	Lot			Desks, Chairs, Files, PC's, Printers, Etc. in R&D Engrg.
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114	Lot			Desks, Chairs, Files, PC's, Printers, Etc. in President's/Exec. Offices
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115	Lot			Desks, Chairs, Files, PC's, Printers, Camera, Etc. in R&D
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116	Lot			PC's, Furniture, Desks, Files, Etc. in Area
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117	Lot			Desks, Chairs, Files, Tables, PC's, Printers, Business Machines
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118	Lot			CRC 2-Door Refrigerator, Microwaves, Benches w/Chairs, Hoshizak Ice Machine, True Refrigerator, Freezer, Warmer, Samsung Cash Register, Fryolator Grill, Savory Toaster, Hobart Slicer, Prep Station, Garland Stove, Miser, Sink, True 2-Door Freezer, Yogurt Machine, Chrome Wire Racks, Steamer, Juicer
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Line #	Qty	Manufacturer	Model	Description
119	Lot			(2) Slurry Mixers, Fluidized Bed, Collector, Lightnin XJ-Mixers, Pots, Racks, Pallet Jack, Drying Carts, Scale, Etc. in Room
120	Lot			Lab Hoods, Mixer, Sieve, Lab Furniture, Desiccant Box, PC's, Sealer, Chemical Cabinet, Dispenser, Centrifuge, Etc. in Process Development
121	Lot			(3) Vertical Wax Injection Molding Presses, (1) Operational Heated Wax Tank, Horizontal Wax Extruder, Wax Melt Tank, Etc. in Room
122	Lot			Desks, Chairs, Bookcase, Hood, Televac, Scope, Shelving in Elec. Shop
122.1	Lot			Scott Air Packs, Cabinets, Slings, Racks, Etc. in Safety Storeroom
123	Lot			Desks, Chairs, Files, PC's, Printers, Business Machines in Corner Area-Sales
124	Lot			Desks, Chairs, Files, PC's, Printers, Business Machines in Safety/Health Physics
125	1	Clark Melroe	743 Bobcat	Skid Steer Loader, s/n 5019-M-36316, w/Sweeper, Winter Kit
126	1	Clark	C300	LPG Forklift, 5000#, s/n Y468-58-4385
127	1	Clark	TT40B	4000# LPG Forklift, s/n TT355-97-4148
128	1	Chevrolet	Rack Body	1986 Truck, v/n 1GBGC34M5GJ131891
129	1	Chevrolet	30	1994 6.5 Diesel Van, v/n 1GCHG39Y1R163016
130	1	Chevrolet	Caprice	1992 Wagon, v/n 1G1BL83E1NW109506

<b>Line #</b>	<b>Qty</b>	<b>Manufacturer</b>	<b>Model</b>	<b>Description</b>
131	1	Steinbock	LE-16	3500# Elec. Forklift, s/n 27113, w/Charger
132	1	Multiton	WPT45	Elec. Pallet Jack, s/n 113421, w/Charger
133	1	Instapak	900	Foam Machine w/Pumps
134	Lot			Desks, Chairs, Files, Tables, Modular Workstations, Shelving, Scale
135	Lot			Desks, Chairs, Files, Tables, Modular Workstations, Shelving, Scale in Engrg.
136	Lot			Desks, Chairs, Files, PC's, Plotter, Etc. in Eng. Design Center Room
137	Lot			Shelving, Furniture, Cages, Carts
138	1	Clark	C300Y	4400# LPG Forklift, s/n &466-444-4389
139	Lot			Desks, Chairs, Files, PC's
140	1	Husquarna	LTH 130	Riding Mower
141	Lot			Blower, Vacuum, Seeder, Etc.
142	2			Snowblowers Ariens, Ladders
143	Lot			Desks, Chairs, Files, PC's, Printers, Inspection, Business Machines, Etc. in QC Office Area
144	Lot			Components for Rotating Powder Machine #11 Including Tank, Planer Bed, Controller, Power Supply, Etc.